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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC #03458-88  
20 December 1988

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

FROM: Fritz W. Ermarth  
Chairman

SUBJECT: The NSC System and Intelligence Support

In anticipation of your meeting with Brent Scowcroft next week, I would like to give you my views on the NSC process and how it ought to work. These views were informed by working in and around that process over about twenty years.

The Reagan administration has achieved some important successes, the most important one being a much safer relationship with the USSR than it found in 1980. This owes nothing to the NSC process as such. Rather it was produced by a defense buildup largely unmonitored by the White House; political and moral leadership of the Alliance which the NSC process often worked against, not for; and Gorbachev's reaction to the Soviet domestic crisis. The Reagan administration faced no truly dangerous military crisis that could have tested its NSC procedures. It suffered almost mortal political damage from the utter failure of NSC procedures in one case: Iran-Contra. And its procedures made a hash of Panama.

In short, there is much negative to learn from Reagan-era NSC procedures, and almost nothing positive to emulate. They should not be taken as any model for the next administration. The basic failings, in my view, have been the following:

The NSC ceased to function at the level of principals. Formal NSC or NSPG meetings were sterile of thought or decisions. The President played no leading role. The other principals were silent or largely engaged in posturing.

Decisionmaking among NSC principals, with or more frequently without the President, was conducted in informal, usually unstaffed, meetings, lunches, breakfasts, phone calls. The deliberative input and output of such encounters were frequently never written down, leading to bad, unclear, or unenforceable decisions.

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The PRG, meeting at the level of Deputy Assistant to the President and Cabinet Undersecretary, was too junior and also too informal and understaffed to make up for the sloppiness that prevailed above it (except perhaps in the PCG incarnation controlling covert action).

With no real mechanism to staff, the NSC staff largely lost its central coordinating function, i.e., assuring that the President was presented high-quality options with fully understood rationales and implications. This made some of its members more than usually vulnerable to the temptations of freelancing. The only area where this was not the case was arms control because the obvious involvement of State, Defense, ACDA, and Intelligence required a central broker (and one appeared in a very tough and able officer, Bob Linhard).

The lack of an authoritative NSC process produced lots of audible feuding among the White House, State and other agencies on foreign policy matters. Surprisingly, little attention has been paid to another result brought on by the failure of the NSC process: The almost total lack of Presidential oversight of DOD programs and budgets. The result of this was the erosion of public support for defense and near chaos in areas of defense strategy and doctrine.

The NSC system that prevailed under President Reagan was, as was the concept of "cabinet government," a product of the President's style and personality. It is unlikely that President Bush will operate in this way.

If one assumes that President Bush will adopt a much tighter managerial style, then a number of clear principles should be followed to effect it in the NSC arena:

Either the Secretary of State or the President's National Security Advisor can be the hub of the NSC process. But it must be clearly decided and communicated.

NSC meetings with the President can be rare, but they should be small, serious, staffed, and documented.

The most vital requirement is a forum in which the NSC principals meet without the President to prepare formal options, or option papers, for his final review and decision. The Carter Administration had a good system: The meeting was called the Policy Review Group when it met under a Cabinet secretary or the DCI to prepare policy or budget options largely under his purview; and it was the Special Coordinating Committee when it met under the chairmanship of the National Security Advisor to debate issues clearly not lodged mainly in one department, e.g., crises and arms control issues. Lack of this crucial link was the greatest failing of the Reagan system. Had the President enforced use of something like this, much of the sloppy informality would have been overcome.

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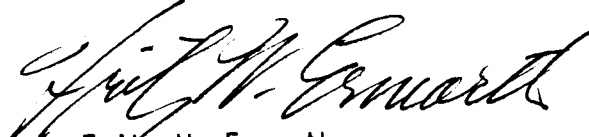
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All the department heads should look to the NSC system and staff as a device to protect them from being captured and set against the President or each other by their departments.

The most important thing to say about Intelligence and the NSC system is that there must be a system -- explicit, relatively formal, and authoritative -- for Intelligence, particularly the DCI's organs, to be the most effective. Intelligence works best when it sits beside the policy process as it evolves up various levels, not when it sends papers or information to that process. Moreover, the DCI's influence, beyond his personal rapport with the President and other leaders, is very much a function of the NSC system he was created to support. If that system is weak, the departmental intelligence agencies take on more weight than they should or intelligence overall loses influence.

If there is an NSC system for the DCI to plug into, the DCI can chose from a variety of approaches how he wants to plug in, and how he wants to strike the balance in emphasizing CIA versus his Community role in the policy process. This raises questions about the relationship between the NIOs and the DDI in supporting the policy process...on which I also, naturally, have views. But they can wait until after Christmas.



Fritz W. Ermarth

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